

Indiana House of Representatives

News and Information

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PELATH: HIGHER PROPERTY TAXES, SCHOOL CUTS BAD FOR NINTH DISTRICT

INDIANAPOLIS – State Rep. Scott Pelath (D-Michigan City) today said a biennial state budget plan scheduled for a final vote next week in the Indiana House cuts LaPorte County schools while still shifting \$300 million onto the backs of property taxpayers.

"This budget is so bad for my district that it can't be fixed without rejecting it altogether," said Pelath. "Early rhetoric about shared sacrifices has been forgotten. Unfortunately, the House majority has remembered to cut funding for Northwest Indiana schools while forcing overburdened homeowners to finance more of the budget."

Under House Bill 1001's proposed formula for distributing school dollars, 244 of 293 school corporations would see state funding cut in the coming year.

Michigan City Area Schools would be cut by \$813,000 in Fiscal Year 2006 and another \$720,733 the following year. In addition, state support to offset the costs of school textbooks would be slashed.

"While the cuts for schools are troubling enough, budget writers also capped the dollars used to replace local property tax revenues," Pelath said. "Therefore, any increase in local tax levies will fall entirely on the shoulders of property owners."

Pelath said that funding education does not appear to be a priority for the current administration or Indiana House leaders. The budget includes over \$450 million in new, non-school spending. Furthermore, a recently debated proposal to raise over \$100 million in revenue from slot machines at Indiana's horse tracks steered none of the new dollars toward schools.

"This budget plan is onerous and aggressive in harming the people I represent," concluded Pelath. "I will be voting no and encouraging others to do the same."

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